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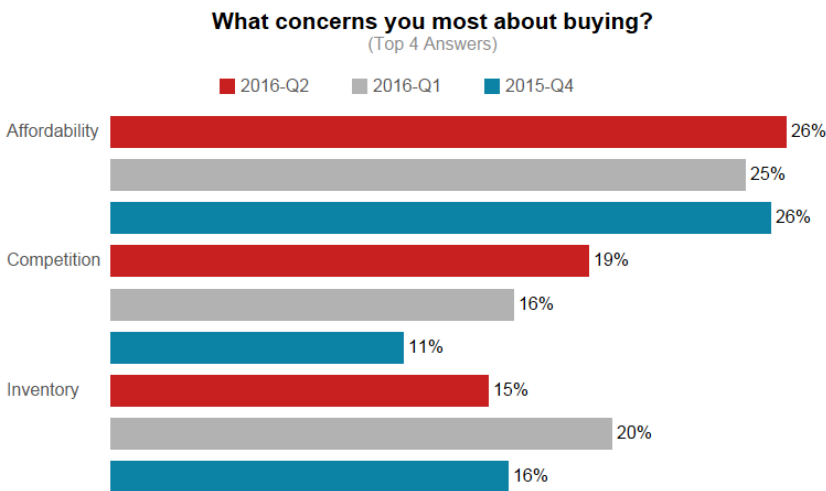
A Message from Jeffrey Chalmers:
"Ready to Buy your new home? You may have competition."

Buyers Increasingly Worried by Competition

What do buyers worry about as they shop for a home? It turns out one growing concern is **other buyers** like them.

A Redfin survey of nearly 1,000 buyers found that, while 26 percent cited affordability as their major worry, virtually unchanged from the last two quarterly surveys, 19 percent said their **biggest fear was competition**. This was an 8 percentage point increase from the fourth quarter of 2015 and 3 points more than in the first survey this year.

The third major concern, **tight inventories** of available homes, declined slightly in the recent survey. But those inventories are the main driver of competition and when the two are combined, competition becomes a more important issue than affordability.



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National Average Mortgage Rates



| | Rate | Change | Points |
|----------------------------|-------|--------|--------|
| Mortgage News Daily | | | |
| 30 Yr. Fixed | 7.41% | -0.10 | 0.00 |
| 15 Yr. Fixed | 6.84% | -0.06 | 0.00 |
| 30 Yr. FHA | 6.88% | -0.11 | 0.00 |
| 30 Yr. Jumbo | 7.60% | -0.07 | 0.00 |
| 5/1 ARM | 7.50% | -0.05 | 0.00 |

| | | | |
|--------------------|-------|-------|------|
| Freddie Mac | | | |
| 30 Yr. Fixed | 7.17% | -0.27 | 0.00 |
| 15 Yr. Fixed | 6.44% | -0.32 | 0.00 |

| | | | |
|--------------------------------|-------|-------|------|
| Mortgage Bankers Assoc. | | | |
| 30 Yr. Fixed | 7.24% | +0.11 | 0.66 |
| 15 Yr. Fixed | 6.75% | +0.11 | 0.64 |
| 30 Yr. FHA | 7.01% | +0.11 | 0.94 |
| 30 Yr. Jumbo | 7.45% | +0.05 | 0.56 |
| 5/1 ARM | 6.64% | +0.12 | 0.87 |

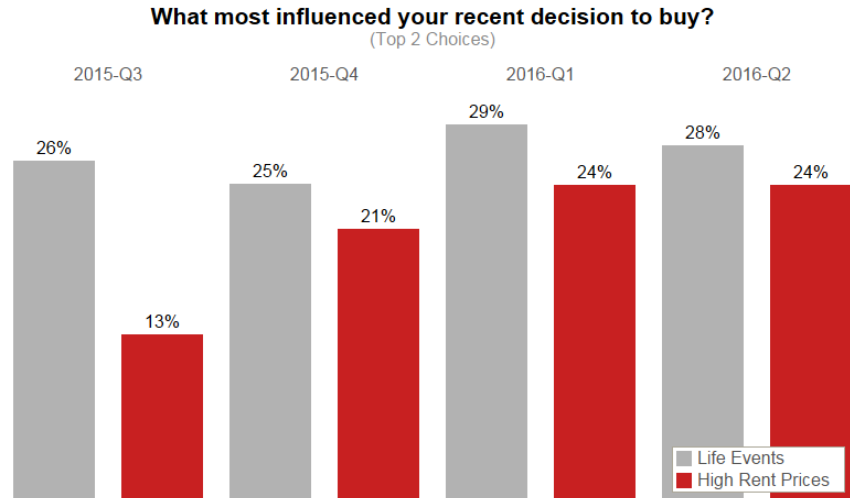
Rates as of: 5/1

Recent Housing Data

| | | Value | Change |
|---------------------|--------|-------|---------|
| Mortgage Apps | Apr 24 | 196.7 | -2.67% |
| Building Permits | Mar | 1.46M | -3.95% |
| Housing Starts | Mar | 1.32M | -13.15% |
| New Home Sales | Mar | 693K | +4.68% |
| Pending Home Sales | Feb | 75.6 | +1.75% |
| Existing Home Sales | Feb | 3.97M | -0.75% |

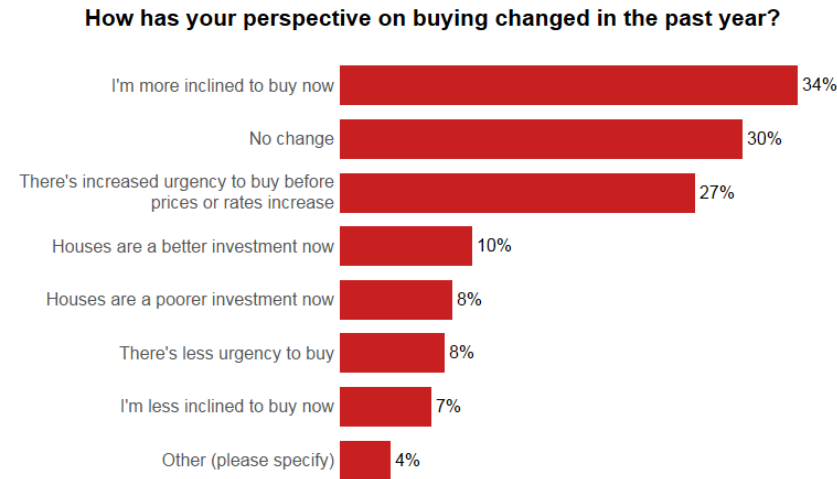
Redfin said the buyer concerns are **justified**. Sixty percent of buyers represented by the firm faced competition for their offers submitted in May and the firm notes that, with prices up nearly 5 percent, "the thought of a bidding war would be particularly worrying for a cost-conscious buyer."

High rents appear to be driving many buyers toward homeownership. About one in four of survey respondents said this was their primary reason for house hunting, up 11 points since last August. This sentiment is strongest among first-time buyers, over half of them said high rents were driving their decision, double the August numbers. Despite the increases in the high rent category, life events such as the birth of a child remained the number one impetus given and Redfin said no other choices exceeded a 10 percent response.



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More than a third of respondents said they were **more inclined to buy** now than they were a year ago but only 27 percent said that inclination was driven by urgency about rising prices and interest rates.



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"Though enticed by high rents and low mortgage rates to begin a home search, first-time buyers face a number of obstacles in today's competitive market," said Redfin chief economist Nela Richardson. "In many cities, starter homes have seen the **largest price increases** because the supply of affordable homes on the market is so low and the demand for these homes is so high."

Redfin's survey was conducted between May 17 and May 23, and includes responses from 975 homebuyers in 36 states and Washington, D.C.

Because Integrity Matters™

Jeffrey has spent the last three decades perfecting an Honest, Open and Transparent (HOT™) loan and closing process that is laser-focused on enhancing the consumer mortgage experience. By combining old-school, trustworthy customer service with real-time, mobile-friendly technology, he has successfully built thousands of loyal, raving fans.

Jeffrey Chalmers

